

**12. Ordinance or Law.**

- a. You may use up to 25% of the limit of liability that applies to Coverage A for the increased costs you incur due to the enforcement of any ordinance or law which requires or regulates:
- (1) The construction, demolition, remodeling, renovation or repair of that part of a covered building or other structure damaged by a Peril Insured Against; or
  - (2) The demolition and reconstruction of the undamaged part of a covered building or other structure, when that building or other structure must be totally demolished because of damage by a Peril Insured Against to another part of that covered building or other structure; or
  - (3) The remodeling, removal or replacement of the portion of the undamaged part of a covered building or other structure necessary to complete the remodeling, repair or replacement of that part of the covered building or other structure damaged by a Peril Insured Against.
- b. You may use all or part of this ordinance or law coverage to pay for the increased costs you incur to remove debris resulting from:
- (1) The construction;
  - (2) Demolition;
  - (3) Remodeling;
  - (4) Renovation;
  - (5) Repair; or
  - (6) Replacement of property as stated in a. above.

c. We do not cover:

- (1) The loss in value to any covered building or other structure due to the requirements of any ordinance or law; or
- (2) The costs to comply with any ordinance or law which requires any "insured" or others to:
  - (a) Test for;
  - (b) Monitor;
  - (c) Clean up;
  - (d) Remove;
  - (e) Contain;
  - (f) Treat;
  - (g) Detoxify;
  - (h) Neutralize; or
  - (i) In any way respond to, or assess the effects of pollutants in or on any covered building or other structure.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including:

- (a) Smoke;
- (b) Vapor;
- (c) Soot;
- (d) Fumes;
- (e) Acids;
- (f) Alkalis;
- (g) Chemicals; and
- (h) Waste.

Waste includes materials to be recycled, reconditioned or reclaimed.

This coverage is additional insurance.

**SECTION I – PERILS INSURED AGAINST**

**COVERAGE A – DWELLING and COVERAGE B – OTHER STRUCTURES**

We insure against risk of direct loss to property described in Coverages A and B only if that loss is a physical loss to property.

This includes the peril of "catastrophic ground cover collapse" as provided in Part A. below.

We do **not** insure, however, for loss:

1. Involving collapse, other than as provided in Additional Coverage 8.;

**2. Caused by:**

- a. Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing.

This exclusion applies only while the dwelling is vacant, "unoccupied" or being constructed, unless you have used reasonable care to:

- (1) Maintain heat in the building; or



- (2) Shut off the water supply and drain the system and appliances of water;
- b. Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:
- (1) Fence, pavement, patio or swimming pool;
  - (2) Foundation, retaining wall, or bulkhead; or
  - (3) Pier, wharf or dock;
- c. Theft in or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;
- d. Vandalism and malicious mischief if the dwelling has been vacant for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;
- e. Accidental discharge or overflow of water or steam;
- Unless loss to property covered under Coverage A or B results from an accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the "residence premises."
- This includes the cost to tear out and replace any part of a building, or other structure, on the "residence premises," but only when necessary to repair the system or appliance.
- However, we do not cover:
- (1) Loss to the system or appliance from which this water or steam escaped;
  - (2) Loss on the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises"; or
  - (3) Loss otherwise excluded.
- For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump, irrigation system or related equipment or a roof drain, gutter, down spout or similar fixtures or equipment.
- f. Any of the following:
- (1) Wear and tear, marring, deterioration;
  - (2) Inherent vice, latent defect, defect or mechanical breakdown;
  - (3) Smog, rust, decay or other corrosion;
  - (4) Smoke from agricultural smudging or industrial operations;

- (5) Discharge, dispersal, seepage, migration, release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by a Peril Insured Against under Coverage C of this policy.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed;

- (6) Settling, shrinking, bulging or expansion, including resultant cracking, of pavements, patios, foundations, walls, floors, roofs or ceilings;
- (7) Birds, vermin, rodents, or insects; or
- (8) Animals owned or kept by an "insured."

If any of these cause water damage not otherwise excluded, from a plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance, we cover loss caused by the water including the cost of tearing out and replacing any part of a building necessary to repair the system or appliance.

We do not cover loss to the system or appliance from which this water escaped.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump, irrigation system or related equipment or a roof drain, gutter, down spout or similar fixtures or equipment.

### 3. Excluded under Section I – Exclusions.

Under items 1. and 2., any ensuing loss to property described in Coverages A and B not excluded or otherwise excepted in this policy is covered.

#### Part A.

##### Catastrophic Ground Cover Collapse.

- a. We insure for direct physical loss to property covered under Coverage A and Coverage B caused by the peril of "catastrophic ground cover collapse."
- b. Structural damage consisting merely of the settling or cracking of a foundation, structure or building does not constitute a loss resulting from a "catastrophic ground cover collapse."
- c. Direct physical loss from "catastrophic ground cover collapse" does not apply to the costs to repair the depression or hole, or to stabilize the land on the insured premises.

This peril does not increase the limit of liability that applies to the damaged property.

The SECTION I – Earth Movement and Settlement exclusion 1.b. does not apply to “catastrophic ground cover collapse.”

The SECTION I – Loss caused by Sinkhole exclusion 1.i. does not apply to “catastrophic ground cover collapse.”

### COVERAGE C – PERSONAL PROPERTY

We insure for direct physical loss to the property described in Coverage C caused by a peril listed below unless the loss is excluded in SECTION I – EXCLUSIONS.

#### 1. Fire or lightning.

#### 2. Windstorm or hail.

This peril does not include loss to the property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening.

This peril includes loss to watercraft and their trailers, furnishings, equipment, and outboard engines or motors, only while inside a fully enclosed building.

#### 3. Explosion.

#### 4. Riot or civil commotion.

#### 5. Aircraft, including self-propelled missiles and spacecraft.

#### 6. Vehicles.

#### 7. Smoke, meaning sudden and accidental damage from smoke.

This peril does not include loss caused by smoke from agricultural smudging or industrial operations.

#### 8. Vandalism or malicious mischief.

#### 9. Theft, including attempted theft and loss of property from the “residence premises” when it is likely that the property has been stolen.

Personal property contained in any bank, trust or safe deposit company or public warehouse will be considered on the “residence premises.”

This peril does not include loss caused by theft:

- a. While property is off the “residence premises”;
- b. Committed by an “insured”;
- c. In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied; or
- d. From that part of a “residence premises” rented by an “insured” to other than an “insured.”

#### 10. Falling objects.

This peril does not include loss to property contained in a building unless the roof or an outside wall of the building is first damaged by a falling object. Damage to the falling object itself is not included.

#### 11. Weight of ice, snow or sleet which causes damage to property contained in a building.

#### 12. Accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

This peril does not include loss:

- a. To the system or appliance from which the water or steam escaped;
- b. Caused by or resulting from freezing except as provided in the peril of freezing below; or
- c. On the “residence premises” caused by accidental discharge or overflow which occurs off the “residence premises”; or
- d. Otherwise excluded.

In this peril, a plumbing system or household appliance does not include a sump, sump pump, irrigation system or related equipment or a roof drain, gutter, down spout or similar fixtures or equipment.

#### 13. Sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning or automatic fire protective sprinkler system, or an appliance for heating water.

We do not cover loss caused by or resulting from freezing under this peril.

#### 14. Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance.

This peril does not include loss on the “residence premises” while the dwelling is “unoccupied,” unless you have used reasonable care to:

- a. Maintain heat in the building; or
- b. Shut off the water supply and drain the system and appliances of water.

#### 15. Sudden and accidental damage from artificially generated electrical current.

This peril does not include loss to a tube, transistor or similar electronic component.

#### 16. Volcanic eruption other than loss caused by earthquake, land shock waves or tremors.



**17. Catastrophic Ground Cover Collapse.**

- a. We insure for direct physical loss to property covered under Coverage C resulting from a "catastrophic ground cover collapse," unless the loss is excluded elsewhere in this policy.
- b. Structural damage consisting merely of the settling or cracking of a foundation, structure or building does not constitute a loss resulting from a "catastrophic ground cover collapse."
- c. Direct physical loss from "catastrophic ground cover collapse" does not apply to the costs to repair the depression or hole, or to stabilize the land on the insured premises.

This peril does not increase the limit of liability that applies to the damaged property.

The SECTION I – Earth Movement and Settlement exclusion 1.b. does not apply to "catastrophic ground cover collapse."

The SECTION I – Loss caused by Sinkhole exclusion 1.i. does not apply to "catastrophic ground cover collapse."

**SECTION I – EXCLUSIONS**

1. We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss.

a. **Ordinance or Law**, meaning any ordinance or law:

- (1) Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris.

This Exclusion 1.a. does not apply to the amount of coverage that may be provided for under ADDITIONAL COVERAGES, Glass or Safety Glazing Material or Ordinance or Law;

- (2) The requirements of which result in a loss in value to property; or

- (3) Requiring any "insured" or others to:

- (a) Test for;
- (b) Monitor;
- (c) Clean up;
- (d) Remove;
- (e) Contain;
- (f) Treat;
- (g) Detoxify;
- (h) Neutralize; or
- (i) In any way respond to or assess the effects of pollutants.

Pollutants means any solid, liquid, gaseous, or thermal irritant, or contaminant, including:

- (a) Smoke;
- (b) Vapor;
- (c) Soot;
- (d) Fumes;
- (e) Acids;
- (f) Alkalis;
- (g) Chemicals; and
- (h) Waste.

Waste includes materials to be recycled, reconditioned, or reclaimed.

This Exclusion 1.a. applies whether or not the property has been physically damaged.

b. **Earth Movement and Settlement**, meaning:

- (1) Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- (2) Landslide;
- (3) Mine subsidence;
- (4) Mudflow or mudslide;
- (5) Earth sinking, rising or shifting;
- (6) Clay shrinkage or other expansion or contraction of soils or organic materials;
- (7) Decay of buried or organic materials;
- (8) Settling, cracking or expansion of foundations; or
- (9) Scouring;

Whether caused by natural or man made activities; unless direct loss by:

- (1) Fire; or
- (2) Explosion;

ensues and then we will pay only for the ensuing loss.

**c. Water Damage, meaning:**

- (1) Flood, surface water, waves, including tidal wave and tsunami, tides, tidal water, storm surge, overflow of any body of water, or spray from any of these, all whether or not driven by wind, including storm surge;
- (2) Water which:
  - (a) Backs up through sewers or drains; or
  - (b) Overflows or is otherwise discharged from a sump, sump pump or related equipment;
- (3) Water below the surface of the ground, including water which exerts pressure on or seeps, leaks or flows through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure; or
- (4) Waterborne material carried or otherwise moved by any of the water referred to in c.(1) through c.(3) of this Exclusion.

This Exclusion 1.c. applies regardless of whether any of the above, in c.(1) through c.(4), is caused by or results from human or animal forces or any act of nature.

This Exclusion 1.c. applies to, but is not limited to, escape, overflow or discharge, for any reason of water or waterborne material from a dam, levee, seawall or any other boundary or containment system

However, direct loss by fire, explosion or theft resulting from any of the above in c.(1) through c.(4) is covered.

**d. Power Failure, meaning:**

The failure of power or other utility service if the failure takes place off the "residence premises."

But if the failure of power or other utility service results in a loss, from a Peril Insured Against on the "residence premises," we will pay for the loss or damage caused by that Peril Insured Against.

**e. Neglect**, meaning neglect of the "insured" to use all reasonable means to save and preserve property at and after the time of a loss.

**f. War**, including the following and any consequence of any of the following:

- (1) Undeclared war, civil war, insurrection, rebellion or revolution;
- (2) Warlike act by a military force or military personnel; or
- (3) Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

**g. Nuclear Hazard**, to the extent set forth in the Nuclear Hazard Clause of SECTION I - CONDITIONS.

**h. Intentional Loss**, meaning any loss arising out of any act committed:

- (1) By or at the direction of an "insured"; and
- (2) With the intent to cause a loss.

**i. Loss caused by "sinkhole"**.

(1) "Sinkhole" means:

- (a) A landform created by subsidence of soils, sediment, or rock as underlying strata are dissolved by ground water.
- (b) A "sinkhole" may form by collapse into subterranean voids created by dissolution of limestone or dolostone or by subsidence as these strata are dissolved.

**j. "Fungi," Wet Or Dry Rot, Yeast Or Bacteria** meaning:

The presence, growth, proliferation, spread or any activity of "fungi," wet or dry rot, yeast or bacteria.

This Exclusion 1.j. does not apply:

- (1) When "fungi," wet or dry rot, yeast or bacteria results from fire or lightning; or
- (2) To the extent coverage is provided for in the "Fungi," Wet Or Dry Rot, Yeast Or Bacteria Additional Coverage under Section I - Property Coverages with respect to loss caused by a Peril Insured Against other than fire or lightning.

Direct loss by a Peril Insured Against resulting from "fungi," wet or dry rot, yeast or bacteria is covered.



**k. Existing Damage, meaning:**

- (1) Damages which occurred prior to policy inception regardless of whether such damages were apparent at the time of the inception of this policy or discovered at a later date; or
- (2) Claims or damages arising out of workmanship, repairs or lack of repairs arising from damage which occurred prior to policy inception.

This Exclusion 1.k. does not apply in the event of a total loss caused by a Peril Insured Against.

**l. Constant or repeated seepage or leakage of water or steam, or the presence or condensation of humidity, moisture or vapor, which occurs over a period of 14 or more days, whether hidden or not.**

**m. Accidental discharge or overflow of water or steam from:**

- (1) Within a plumbing, heating, air conditioning or automatic fire protective sprinkler system;
- (2) Within a household appliance for heating water, or
- (3) Within a household appliance.

This Exclusion 1.m. applies only while the dwelling is vacant, "unoccupied" for more than 30 consecutive days or being constructed; unless you have used reasonable care to:

- (1) Shut off the water supply; and

- (2) Drain the system and appliances of water. Systems and appliances of water do not include outdoor swimming spas or outdoor irrigation wells.

**2. We do not insure for loss to property described in Coverages A and B caused by any of the following. However, any ensuing loss to property described in Coverages A and B not otherwise excluded or excepted in this policy is covered.**

**a. Weather conditions.** However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1, above to produce the loss;

**b. Acts or decisions,** including the failure to act or decide, of any person, group, organization or governmental body;

**c. Faulty, inadequate or defective:**

- (1) Planning, zoning, development, surveying, siting;
- (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- (3) Materials used in repair, construction, renovation or remodeling; or
- (4) Maintenance; of part or all of any property whether on or off the "residence premises."

---

**SECTION I – CONDITIONS**

---

**1. Insurable Interest and Limit of Liability.**

Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss:

- a. To the "insured" for more than the amount of the "insured's" interest at the time of loss; or
- b. For more than the applicable limit of liability.

**2. Duties After Loss.**

You must see that the following are done in the event of loss or damage to covered property:

- a. Give prompt notice to us or our agent;
- b. Notify the police in case of loss by theft;

c. Notify the credit card or fund transfer card company in case of loss as provided for in Additional Coverage 6. Credit Card, Fund Transfer Card, Forgery and Counterfeit Money under Section I – Property Coverages;

d. Protect the property from further damage. If repairs to the property are required, you must:

- (1) Make reasonable and necessary repairs to protect the property; and
- (2) Keep an accurate record of repair expenses;

e. Cooperate with us in the investigation of a claim;